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President Rousseff to Announce New Finance Minister

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Although no formal announcement will be made until later this week, Joaquim Levy will likely replace the current Brazilian Finance Minister Guido Mantega, the daily Brazilian newspaper Folha de S. Paulo reported.

Levy previously served as Treasury Secretary from 2003 to 2006 under President Rousseff's predecessor, Luiz Inacio Lula da Silva before quitting to join the Inter-American Development Bank (IDB). He entered government at the invitation of former President, Fernando Henrique Cardoso (PSDB, 1995-2002).

"We have extreme confidence in the way Levy will manage his position as Finance Minister... when he arrives, he will become the guardian of a development model for Brazil that has already been widely applied and that has proven to be effective," said the leader of the Workers Party in the Brazilian Chamber of Deputies, Humberto Costa.

Despite positive support from Costa, local media outlets indicate that several PT officials describe Levy as having conservative fiscal beliefs that are inconsistent with the current government's heavy spending on social welfare projects..

During the highly anticipated press conference, Brazilian President Dilma Rousseff is also expected to reveal potential budget cuts and the names of newly appointed cabinet members.

Reports suggest that the current executive secretary of the Finance Ministry, Nelson Barbosa, is

expected to be the new Planning minister and Alexandre Tombini is said to keep his job as the Central Bank president.

The government plans to deduct US\$42.4 billion, or 2.15 percent of gross domestic product (GDP) off the 2014 primary surplus target, according to a Planning Ministry report published on Friday.

Due to recent sluggish economic growth, President Rousseff has come under increasing pressure to introduce fresh faces into her cabinet administration.

However last week, the Brazilian Central Bank announced that the country had registered a growth of 0.59 percent during the months of July, August, September compared with the previous three months.

According to the Brazilian Central Bank this latest growth marks the most significant macroeconomic breakthrough in the Brazilian economy since the second fiscal quarter of 2013, which recorded 1.47 percent growth.

The Brazilian Institute of Geography and Statistics (IBGE) will release the official GDP growth rates later this month.

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